STATE OF CALIFORNIA   STEVE WESTLY,
                                                                  California State Controller

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: October 13, 2005   PERSONNEL LETTER #05-008
                                            CSU ONLY

TO: All Campuses in the Uniform State Payroll System

FROM: JOHN R. HARRIGAN, Chief
        Personnel/Payroll Services Division

RE: **CALIFORNIA STATE UNIVERSITY BARGAINING UNIT 11 OCTOBER 1, 2005 SALARY
        INCREASE**

        The agreement reached between the CSU and Bargaining Unit 11 provides for a 3.5% General Salary
        Increase (GSI) and an increase of the minimum hourly salary rate to $8.00 for class codes 1150 and
        1151. Refer to Technical Letter HR/Salary 2005-13 Supplement #1.

        PPSD will manually process GEN transactions to post the increase to the eligible employees' EH
        records. Employees in class codes 1150 and 1151 will receive either the 3.5% GSI or be increased to
        the new $8.00 minimum rate whichever is greater. The update will begin October 17, 2005.

        PPSD EH MANUAL UPDATE PROCESS

        The manual update for the above changes will include employees with red circle rates and employees
        on NDI, supplementing with catastrophic leave donations. Employees with expired appointments as of
        October 1, 2005 will not be included in the update. Campuses must determine if the employees are to
        be reappointed or separated and key enter the appropriate transactions (see processing instructions
        below).

        Employees who separated prior to 10/01/05 and have lump sum payments that extend into/beyond the
        10/2005 pay period will be identified and the lump sum payments will be manually adjusted by PPSD.
        A GEN transaction will not be posted.

        CAMPUS EH PROCESSING INSTRUCTIONS

        Based on the update processed by PPSD, the following is a guideline for processing various EH
        transactions. The transactions should be key entered in the order indicated.

        1.   Separations effective 09/30/05 or prior:

             a. GENV effective 10/01/05.
             b. SXX.

2.	Separations effective 10/01/05 or later, including Leave Without Pay (S49 or 565 transactions with Job Injury Code = 7), should be processed as usual with the exception identified in #3 below.

Some If a separation for a academic employee was keyed with Item 810 completed and was keyed prior to the GEN transaction with the old salary rate post as follows:

SXXC – enter the new total amount due in Item 810, Settlement Pay.

3.	Employees on NDI/Leave of Absence Without Pay as of 10/01/05 and are to separate 10/01/05 or later with lump sum vacation/extra hours (Item 621) requested on the separation transaction:

a.	A57 or A58 effective same date as SXX and effective date hours = COB reinstate at the old salary rate. Also, enter 'Lump Sum Only' or 'Final Settle Only' in Item 215, Remarks.
b.	GEN effective the same date as the A57 or A58 transaction and effective date hours = COB (enter the GSI salary rate in Item 820, Assigned Salary Rate).
c.	SXX.

4.	Leave of Absence effective 09/30/05 or prior, including 565 transactions with Job Injury Code = 7:

a.	GENV effective 10/01/05.
b.	SXX.

5.	Appointments effective 09/30/05 or prior and Item 450, Prior State Service = 1, 3, or 4; or reappointments for employees with an appointment expiration date prior to 09/30/05:

a.	AXX.
b.	GEN effective 10/01/05 (enter the GSI salary rate in Item 820, Assigned Salary Rate).

6.	Appointments effective 10/01/05 or later and Item 450, Prior State Service = 1, 3, or 4; or reappointments for employees with an appointment expiration date equal to 09/30/05:

No GEN transaction is required. However, enter the GSI salary rate in Item 820, Assigned Salary Rate.

7.	Reinstatements effective 09/30/05 or prior, including A57, A58, A68 and 565 with Job Injury Code = 4 (if prior status was Job Injury Code = 7) transactions:

a.	AXX or 565.
b.	715 effective the same date as the A68 or 565 transaction, if applicable to change Item 430, Probationary Period, due to non-qualifying pay periods.
c.	GEN effective 10/01/05 (enter the GSI salary rate in Item 820, Assigned Salary Rate).

8.	Reinstatements via the A57 or A58 transaction effective 10/01/05 or later:

a.	A57 or A58 with the old salary rate.

      b. GEN effective the same date as the   A57 or A58 transaction (enter the GSI salary rate in Item 820, Assigned Salary Rate).

9.   Reinstatements via the A68 or 565 transactions with Job Injury Code = 4 (if prior status was Job Injury Code = 7) effective 10/01/05 or later:

      a. A68 or 565.
      b. 715 effective the same date as the A68 or 565 transaction, if applicable to change Item 430, Probationary Period, due to non-qualifying pay periods.
      c. GEN effective same date as the A68 or 565 transaction (enter the GSI salary rate in Item 820, Assigned Salary Rate).

10.   When processing the transactions per condition #3, #8 or #9 above, audit message 9320-02, 330-02 or 330-19 will be received if the employee's salary rate is below the new minimum rate or was the old maximum rate. Attach the audit message to the PPT input document package and submit to PPSD for processing.

11.   If a correction to a previously keyed 10/01/05 effective date transaction (i.e. keyed prior to the 10/01/05 effective date GEN transaction) is processed, audit message 9320-02, 330-02, or 330-19 may be received. The transactions with the audit message attached to the PPT input document need to be submitted to PPSD for processing. Refer to the PIMS Manual for out-of-sequence processing. If other audit messages are received, please contact your CSU Audit's Representative.

12.   Transactions not identified above, process as usual.

If you have any questions regarding this Personnel Letter, please contact your CSU Audits' Representative.

PMAB:JB:JH